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July 29, 1980

Combe Fill Corporation
P.O. Box 418
Parker Road
Chester, New Jersey 07930

Attention: Gary Molchan

Re: Combe Fill Corporation/P.U.C.

Dear Gary:

Please find enclosed an Exhibit found in the closing book which contains the list of contracts assumed by Combe Fill regarding the Chester landfill.

Also find three pages of transcript dealing with this question.

It is my recollection that the various contracts shown to me by Ted Schwartz did not clearly indicate that the contracts were executed prior to September, 1978. You will note that on Page 68 of the transcript, I noted that we were assuming that all of the contracts were in existence as of the date of closing.

I would suggest that you write to Filiberto and ask him directly for proof that these contracts were in existence as of that date.

Very truly yours,


KEVIN J. COAKLEY

KJC/lp
Enclosures

SCHEDULE K

CHESTER HILLS, INC.

LIST OF SERVICE CONTRACTS:

1. Contract between Chester Hills, Inc. and the Borough of Califon dated 11/7/77 entitled "Sanitary Landfill Agreement".
2. Contract between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. pertaining to the collection and/or disposal of refuse for the Borough of Califon.
3. Contract between Chester Hills, Inc. and the Borough of Washington dated 11/9/76 for the collection and/or disposal of refuse.
4. Contract between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. pertaining to the collection and/or disposal of refuse for the Borough of Washington.
5. Contract between Chester Hills, Inc. and the Township of Chester dated 7/7/75 for the collection and/or disposal of refuse.
6. Contract between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. pertaining to the collection and/or disposal of refuse for the Township of Chester.
7. Letter certification to the Mayor and Council of the Town of Clinton from Chester Hills, Inc. dated 3/21/78 for the collection and/or disposal of refuse.
8. Contract between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. pertaining to the collection and/or disposal of refuse for the Town of Clinton.
9. Contract between Chester Hills, Inc. and the County of Morris dated 10/5/76 for the collection and/or disposal of refuse from buildings and residencies owned by the County of Morris.
10. Contract between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. pertaining to the collection and/or disposal of refuse from buildings and residencies owned by the County of Morris.
11. Contract between Chester Hills, Inc. and Town of Dover dated 3/8/76 for the collection and/or disposal of refuse.

SCHEDULE K - (continued)

CHESTER HILLS, INC.

Letter Certification to the Mayor and Council of the Borough of Peapack and Gladstone from Chester Hills, Inc. dated 1/24/78 for the collection and/or disposal of refuse.

Agreement between J. Filiberto Sanitation, Inc. and Chester Hills, Inc. for the collection and/or disposal of refuse for the Borough of Peapack and Gladstone.

Purchase Order from the State of New Jersey Department of the Treasury, Division of Purchase and Property, Purchase Bureau, Purchase Order #04963, dated 8/4/77. Said Purchase Order constitutes acceptance of Chester Hill, Inc.'s bid to the State.

Contract between Chester Hills, Inc. and J. Filiberto Sanitation Inc. pertaining to the collection and/or disposal of refuse for the Borough of Bernardsville.

Contract between Chester Hills, Inc. and the Borough of Bernardsvil dated 12/27/76 for the collection and/or disposal of refuse.

Contract between Chester Hills, Inc. and the New Jersey Sports & Exposition Authority dated 7/2/76 for the disposal of refuse.

Contract between Chester Hills, Inc. and the Township of Bridgewater dated 2/24/77 for the disposal of refuse.

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1 We would not hold anyone liable for
2 violating a rule or regulation of which they
3 had not even received a copy of personally
4 or was not written on the Board at the entrance
5 of the landfill.

6 JUDGE MARSHALL: Okay, good, I just
7 wanted to make sure of that. That concludes
8 my questions.

9 MR. COAKLEY: Mr. Schwartz has pre-
10 has presented me with certain contracts which
11 are between Chester Hills, Inc. which was the
12 prior owner of the Combe Fill South Site,
13 and J. Filiberto Sanitation, Inc., which was
14 a collection company, and these contracts
15 relate to - - I should state the date first.
16 They are dated April 19th, 1978, which was
17 prior to the date that Combe Fill bought
18 the Chester Landfill and they relate to the
19 municipalities of the Borough of Peapack
20 and Gladstone - - is that one?

21 MR. SCHWARTZ: Yes, and the Town of
22 Dover contract expires April 30th, 1981,
23 the County of Morris, the contract expires
24 October 1981, the Borough of Washington, the
25 contract expires December, 1981 and the

Town of Clinton, which expires in 1984.

MR. COAKLEY: Well, as to the first four, the contracts state what Mr. Schwartz indicated that they did.

As to the fifth one, the Town of Clinton, the contract that Mr. Schwartz has brought today expired on March 31st, 1979.

Now, I am not saying there wasn't a later contract, there may well be, and if there is - -

MR. SCHWARTZ: In the text of that contract, there was an extension executed by the municipality. It was just prior to the time of the closing of the sale, and I can stipulate on the record that we are talking about a very insignificant amount of materials. It's only 4,000 cubic yards for an entire year.

A lot of these contracts will have one year and then an option for a renewal and the renewal was exercised.

MR. COAKLEY: Based upon the assumption, first of all, at least as to the first four, Washington Township, the County of Morris, Town of Dover and French-Clinton, that

these contracts were in existence as of the date of the closing, the landfill will assume it will be bound by the existing tariffs as to these contracts until the conclusion dates as mentioned by Mr. Schwartz.

As to Clinton, the same will hold true with the proviso that we would ask Mr. Schwartz to provide us with a copy of the document that indicate the intent.

MR. SCHWARTZ: Okay, fair enough.

JUDGE MARSHALL: We already set up a briefing schedule at the last hearing, so at this point, before we close, do you think it will be necessary to submit a clean, revised copy?

MR. COAKLEY: Yes, we will do that.

JUDGE MARSHALL: Do you want me to reserve a new exhibit number or just use the old number?

MR. COAKLEY: We might as well reserve P-61RRR.

JUDGE MARSHALL: P-61RRR will be reserved for submission of another Revised Tariff Schedule.

(Court opens Exhibit 61RRR for review)